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DE RUEHTV #1604/01 1551036 ZNR UUUUU ZZH P 041036Z JUN 07 ZDK FM AMEMBASSY TEL AVIV TO RUEHC/SECSTATE WASHDC PRIORITY 1408 RHEHAAA/WHITE HOUSE WASHDC PRIORITY RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEAHQA/HQ USAF WASHINGTON DC PRIORITY RUEADWD/DA WASHDC PRIORITY RUENAAA/CNO WASHINGTON DC PRIORITY RHEFDIA/DIA WASHINGTON DC PRIORITY RUEKJCS/JOINT STAFF WASHDC PRIORITY RUEHAD/AMEMBASSY ABU DHABI PRIORITY 2243 RUEHAS/AMEMBASSY ALGIERS PRIORITY 8971 RUEHAM/AMEMBASSY AMMAN PRIORITY 2243 RUEHAK/AMEMBASSY ANKARA PRIORITY 3048 RUEHLB/AMEMBASSY BEIRUT PRIORITY 2260 RUEHEG/AMEMBASSY CAIRO PRIORITY 0152 RUEHDM/AMEMBASSY DAMASCUS PRIORITY 2997 RUEHLO/AMEMBASSY LONDON PRIORITY 9875 RUEHFR/AMEMBASSY PARIS PRIORITY 0350 RUEHRB/AMEMBASSY RABAT PRIORITY 6954 RUEHRO/AMEMBASSY ROME PRIORITY 4363 RUEHRH/AMEMBASSY RIYADH PRIORITY 9269 RUEHTU/AMEMBASSY TUNIS PRIORITY 3448 RUCNDT/USMISSION USUN NEW YORK PRIORITY 5389 RUEHJM/AMCONSUL JERUSALEM PRIORITY 6997 RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 001604

SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XOXX
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CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
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COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

SIPDIS

E.O. 12958: N/A TAGS: <u>OPRC KMDR</u> <u>IS</u>

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key Stories in the Media:

The lead articles of the two largest-circulation newspapers (Yediot and Maariv) address tensions with Syria in the north. Yediot reported that Syria is preparing for war this summer; the paper reported that the Syrian army has held lately a series of military

maneuvers in preparation for a possible conflict with Israel. The paper also cited estimates by Israeli officials that if there is no diplomatic process with Syria it is highly possible that Syria will try to draw Israel into a war. Yediot also reported that Minister of Transportation Sahul Mofaz intends to tell Secretary of State Condoleezza Rice in their upcoming meeting in Washington that Israel should open a discreet channel with Syria to neutralize the tension on Israel's northern border.

Yediot and Ha'aretz reported that US President George Bush is considering an updated "two state" speech. The papers note that June 24 will mark the fifth anniversary of President Bush's famous speech calling for a two states solution. They speculate that Bush may speak again and supplement the original speech with new ideas. Maariv reported that in his coming visit to Washington, Prime Minister Ehud Olmert may be surprised by a new US peace initiative, "an outline for a permanent arrangement" between Israel and the Palestinians.

Maariv cited PM Olmert as claiming in closed meetings that he has accepted the Saudi Initiative with reservations regarding the refugees' issue.

The Jerusalem Post reported that PM Olmert is considering the release of some of the PA tax revenues frozen by Israel after Hamas took power last year. According to the paper, PM Olmert may accede to a request on the matter by PA Chairman Mahmoud Abbas.

Ha'aretz reported that Israel will present this week its formal response to the "benchmarks" document, prepared by top American envoy to the PA, Major General Keith Dayton. According to the newspaper, the Israeli response will be a rejection of the US's time line and a stipulation that lifting roadblocks would be subject to Israel's security considerations.

Ha'aretz reported that after 30 years Egypt and Iran are about to discuss renewing diplomatic ties.

Israel radio reported that the IDF is operating in the Gaza Strip. According to the radio, more than 15 IDF tanks pushed 1 km into Gaza, took over houses, and questioned their habitants. No casualties were reported.

All media reported that six IDF soldiers were moderately wounded in a mortar attack on the Erez Crossing on Sunday.

All media published Minister of Foreign Affairs Tzipi Livni's testimony before the Winograd Committee regarding the Second Lebanon War. According to her testimony, she thought the military operation in Lebanon would last one day and that she tried to meet PM Olmert for 11 days without success. The goal of the meeting was to try to and convince PM Olmert to promote the diplomatic process.

All media quoted Iranian President Mahmoud Ahmadinejad as saying in a speech Sunday that the "clock is ticking on Israel's destruction."

All media reported that current Labor Party leader Amir Peretz called on his supporters to vote for candidate Ami Ayalon in the second round of Labor Party elections set for June 12.

Yediot reported that Israel has rejected an offer to place an anti-rocket system in the southern town of Sderot. According to the paper, the American system (C-RAM) is being used successfully by the British army in Iraq. The reason for the rejection is reportedly budget debates within the security establishment.

Ha'aretz reported that Right-wing activists and settlers plan to hold a mass rally next week with the army's permission in Homesh - the site of a former West Bank settlement.

All media noted the uprising tension between the US and Russia, quoting Russian President Vladimir Putin as saying that if the US stations missile defense systems in Europe Russia will aim missiles at Europe.

Summary:

Senior commentator Nahum Barnea wrote in the popular, pluralist Yediot: "The current government has three negotiation tracks that require discussion.... Each track involves great risks, but refraining from making a choice is no less dangerous. Whoever does not decide, leaves the choice in the hands of others."

The conservative, independent Jerusalem Post editorialized: "Egypt does have a peace treaty with Israel. Yet it is Egypt, with its refusal to take seriously its obligation to prevent weapons smuggling into Gaza, that is fueling the Palestinian civil war and paving the way to the next war between Israel and the Palestinians."

Columnist Akiva Eldar wrote in the independent, left-leaning Ha'aretz: "It is true that there were times when the other side was unwilling to discuss anything, not even the borders of June 4, 1967. But nowadays, the 22 member states of the Arab league declare that they view this border as a basis for peace -- an accomplishment no one would have dreamed of 40 years ago. And so, Israel is missing the opportunity to transform its military victory into its biggest achievement ever. It is losing the war of independence from controlling the lives of others."

Columnist Bambi Sheleg wrote in the popular, pluralist Maariv: "Despite the great respect that many Israelis have for Europe, it should be clear that it will not teach us what morality is. Europe can treat the countries within its boundaries as it pleases. It cannot define the Jewish people's scale of values for it."

Ultra-Orthodox Hamodia editorialized: "Israel should not enter negotiations on a 'cease fire' without proper guarantees that this time it is an agreement with teeth and not like previous cease fires that were violated a day after being signed."

Block Quotes:

¶I. "Three Possible Tracks"

Senior commentator Nahum Barnea wrote in the popular, pluralist Yediot (06/04): "The current government has three negotiation tracks that require discussion. One is negotiations with Syria. Officials inside and outside the IDF are convinced that this is a mandatory track. If the government ignores it, it could find itself at war with Syria this coming summer. Olmert is deliberating. He fears that this is a trick: All Assad wants to get is a seal of legitimacy from Israel that will relieve him of the burden of Hariri's murder.... A second possible track is negotiations with Abu Mazen over the final status arrangement. Condoleezza Rice is in favor: She would be glad to end her term as secretary of state with an Israeli-Palestinian peace agreement. The leaders of the two sides have never been so close in their positions. Why not give it a try. Abu Mazen can promise peace. The problem is that he cannot deliver. He has effectively lost Gaza, and it is highly doubtful that his regime will survive in the West Bank. What is nearly the last chance to save Fatah is establishing a Jordanian-Palestinian confederation, which would rule the West Bank by the bayonets of the Jordanian Legion. Without Jordanian involvement, negotiations with Abu Mazen will lead only to frustration. A third possible track is an understanding with Hamas on a 'tahdiya' -- a truce -- for a period of 10 or 20 years. Here too the risk is great: Hamas will take advantage of the cease-fire to take control of the West Bank and to upgrade its arsenal of weapons. No one will be able to guarantee that the quiet will not be broken within a few months... Each track involves great risks, but refraining from making a choice is no less dangerous. Whoever does not decide, leaves the choice in the hands of others.'

II. "Pressure Egypt Now"

The conservative, independent Jerusalem Post editorialized (06/04): "Egypt does have a peace treaty with Israel. Yet it is Egypt, with its refusal to take seriously its obligation to prevent weapons

smuggling into Gaza, that is fueling the Palestinian civil war and paving the way to the next war between Israel and the Palestinians.... Yet even more mysterious than Egypt's behavior is Israel's. Why has our government been so reluctant to openly criticize Egypt for failing to stop the flood of weapons going into Gaza?.... Given this Israeli reticence, it should not be surprising that the US has not made this issue a major priority with Egypt.... We are, by all accounts, possibly on the brink of war in Gaza in order not only to stop the Kassam attacks on Sderot, but to address an ongoing buildup of exactly the sort that Israel mistakenly turned a blind eye toward in the six years following the unilateral withdrawal from Lebanon."

III. "Living the Lives of Others"

Columnist Akiva Eldar wrote in the independent, left-leaning Ha'aretz (06/04): "As the years progressed, short-sighted Israeli politicians and Jewish religious leaders transformed 'the fight for home' into 'the fight for other people's home.' It is true that there were times when the other side was unwilling to discuss anything, not even the borders of June 4, 1967. But nowadays, the 22 member states of the Arab league declare that they view this border as a basis for peace -- an accomplishment no one would have dreamed of 40 years ago. And so, Israel is missing the opportunity to transform its military victory into its biggest achievement ever. It is losing the war of independence from controlling the lives of others."

IV. "The Moralizers"

Columnist Bambi Sheleg wrote in the popular, pluralist Maariv (06/04): "Israel is a state at the start of its path. There is no doubt that the society taking form in Israel is committing wrongs in many areas of life towards the Palestinian public living in Judea, Samaria, and Gaza. Conversely, there is no doubt that this is not the whole picture. The Palestinians also have a great measure of responsibility for their current situation. The disregard of the UCU [the British University and College Union] towards the sins of the Palestinians and attribution of blame for the current situation solely to Israeli sins, are proof of the fact that too many people in Europe are inclined to identify the Jewish state with all the misdeeds of humanity. Despite the great respect that many Israelis have for Europe, it should be clear that it will not teach us what morality is. Europe can treat the countries within its boundaries as it pleases. It cannot define the Jewish people's scale of values for it."

¶V. "A Valid Cease Fire"

Ultra-Orthodox Hamodia editorialized (06/04): "There is military activity in the Gaza Strip, some of it known and some hidden. There is no doubt that the focused military pressure is creating hard physical anxiety on Hamas's leaders, who live in constant fear of Israeli aircraft that fly over the Gaza Strip and force them to search for hiding places every few hours.... It's been proven that targeted killings create pressure on the leadership.... Israel doesn't want wars unless it needs to protect its citizens. This is the country's duty and it cannot avoid it. The IDF activity in the Gaza Strip, even if until this day it has not solved the problem, has decreased significantly Qassam rocket fire, and thus these actions must be strengthened. Israel should not enter negotiations on a 'cease fire' without proper guarantees that this time it is an agreement with teeth and not like previous cease fires that were violated a day after being signed."

JONES